LUKAS, NACE, GUTIERREZ & SACHS
CHARTERED
1111 NINETEENTH STREET, N.W.
SUITE 1200
WASHINGTON, DC 20036
(202) 857-3500

WRITER'S DIRECT DIAL
(202) 828-9475

November 26, 2003

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Office of Managing Director
Federal Communications Commission
445 12th Street, S.W.
Room TW-B204
Washington, DC 20554

Attn: Wireline Competition Bureau

Re: Virginia Cellular, LLC
Highland Cellular, Inc.
Petitions for ETC Status
Docket No. 96-45

Dear Madam Secretary:

Virginia Cellular, LLC ("Virginia Cellular") and Highland Cellular, Inc. ("Highland") ("Petitioners"), by counsel, hereby file this written *ex parte* presentation in response to the letter to the Commission, dated November 18, 2003, by CenturyTel, Inc., Citizens Communications, Rock Hill Telephone Company d/b/a Comporium Communications, Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom, Matanuska Telephone Association, TDS Telecom, TXU Communications Telephone Company, Fort Bend Telephone Company, and Valor Telecommunications (collectively, the "Midsize Companies") in the above-referenced docket. We write to correct the numerous embellishments and errors contained in the Midsize Companies' submission and urge prompt action to grant the above-referenced petitions so that universal service can be finally extended to unserved and underserved areas in rural Virginia.

I. States Are Correctly Applying Applicable Law to Advance Universal Service Through the Introduction of Competitive ETCs.

Rural ILEC advocacy in CC Docket No. 96-45 has repeatedly and incorrectly represented to this Commission that states are granting petitions for ETC status to companies "merely on the

basis of promoting competition".[1] In over thirty published ETC designation cases, virtually all contain substantive analysis of the benefits of designating a competitive ETC in rural areas to advance universal service, provide important health and safety benefits, encourage economic development, and outreach to low-income consumers, exactly as envisioned by Congress and the FCC. One would be hard-pressed to find any state that did not thoughtfully consider the public interest benefits presented by the applicants in each case, as the Midsize Companies assert.

Criticism of states' focus on the introduction of competition as a consumer benefit ignores the clearly stated purpose of the Telecommunications Act of 1996 ("1996 Act") that "all telecommunications markets" be opened to competition.[2] The anachronistic view that the universal service system is only meant to provide a consumer with a single basic connection to the telephone network was rejected by the plain language of the 1996 Act. By 1996, virtually everyone who wanted a single basic connection could get one. Congress went beyond that paradigm, commanding the FCC to develop policies to ensure that rural consumers have similar choices in telecommunications services, including advanced services, as are available in our nation's urban areas.[3]

Virtually every state that has considered ETC applications in rural areas has rejected incumbent protectionist arguments.[4] Indeed, it is undeniable that consumers are better served by

---

[1] Midsize Companies' letter at p. 1.

[2] Joint Explanatory Statement of the Committee of Conference, H.R. Conf. Rep. No. 458, 104th Cong., 2d Sess. at 113.

[3] 47 U.S.C. § 254(b)(3) ("Consumers in all regions of the Nation, including low-income consumers and those in rural, insular, and high cost areas, should have access to telecommunications and information services, including interexchange services and advanced telecommunications and information services, that are reasonably comparable to those services provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas").

[4] *See, e.g.,* Alaska DigiTel, LLC, U-02-39, Order No. 10 (Reg. Comm'n of Alaska, Aug. 28, 2003) ("Alaska ETC Order") at p. 16 ("There is no evidence that [the affected ILEC] will lose a significant number of customers as a result of increased competition by wireless services. There is no evidence that consumer local rates will increase or that quality or availability of service will decrease as a result of granting the application . . . In summary, we find that granting ETC status to ADT is in the public interest."; GCC License Corp., Docket No. 99-GCCZ-156-ETC, Order No. 10 (Kansas Corp. Comm. May 19, 2000) ("GCC Kansas Order #10") ("The Commission finds, as a general principle, that allowing additional ETCs to be designated in rural telephone company service areas is in the public interest."); RFB Michigan ETC Order, *supra,* at p. 3 ("In this case, designating RFB as an eligible telecommunications carrier is likely to promote competition and provide benefits to customers in rural and high-cost areas by increasing customer choice, while promoting innovative services and new technologies and encouraging affordable telecommunications services."); Cellular South License, Inc., Docket No. 01-UA-0451 (Miss. P.S.C. Dec. 18, 2001) ("Cellular South Mississippi ETC Order") at pp. 7-8 ("Competition drives down prices and promotes the development of advanced communications as carriers vie for a customer's business. In a competitive market, rural consumers will be able to choose services from a carrier that best meets their communications needs."); WWC Texas RSA L.P., PUC Docket Nos. 22289, 22295, SOAH Docket Nos. 473-00-1167, 473-00-1168 (Tex. P.U.C. Oct. 30, 2000) ("WWC Texas ETC Order") at pp. 19-20 ("The availability of WWC as a second provider, which might not occur in the absence of the requested designations, will bring a choice of providers to consumers in rural areas, many of whom are now served by a single provider."); United States Cellular Corp., et al., Docket No. UT-970345 at p. 13 (Wash. Util. & Transp. Comm. Jan. 18, 2000) ("U.S. Cellular Washington Order") ("Our decision promotes

facilities-based competition than by regulated monopolies. In areas where competitive ETCs have begun receiving funds, rural consumers are receiving improved service, and Lifeline-eligible consumers who had previously missed out on the revolution in mobile wireless technology are experiencing its benefits for the first time.

Accordingly, claims that the FCC and virtually every state that has considered petitions for ETC status are "getting it wrong" must be rejected. From a policy perspective, arguments that growth in the high-cost fund should be limited by raising the bar for additional ETCs are anticompetitive. This is especially so, coming from quarters that (1) are responsible for the vast majority of growth in the high-cost fund over the past seven years, including an additional $1.26 *billion* in their support, approved by this Commission just two years ago,[5] and (2) oppose all caps on their support, going so far as to sue the FCC to overturn such caps.[6]

States across the country have been carefully balancing the costs of designating ETCs with the benefits to be delivered to consumers. The only cost that incumbents identify in each case is the cost to the federal fund, which rings hollow when their advocates here in Washington insist that ILEC support should be based on embedded costs instead of forward-looking, and that caps on ILEC support are unlawful.[7]

If growth in the fund is a concern, and Petitioners agree that it is, then the pending Joint Board proceeding in this docket is the place for that debate, not individual ETC designations.[8] This Commission has rules for designating competitive ETCs and pending requests for ETC status, including Petitioners', must be processed under those rules until such time as the rules are changed. Calls to delay processing of pending petitions by parties who do disagree with the law, and its application by the vast majority of states, must be rejected.

---

choice for rural customers. . ."); Highland Cellular, Inc., Recommended Decision, Case No. 02-1453-T-PC (W.V. ALJ Sept. 15, 2003) ("The customers who are located in Frontier's service territory are not the property of Frontier . . . Rather, the Commission has the duty to carefully manage the transition from a monopoly service area to a competitive service area so that the customers ultimately can get the services that they want and need."; Midwest Wireless Wisconsin, LLC, Docket No. 8203-T1-100 (Wisc. PSC Sept. 30, 2003) at pp. 8-9 ([D]esignating Midwest as an ETC in areas served by rural companies will increase competition in those areas and, so, will increase consumer choice . . . Further, designation of another ETC may spur ILEC infrastructure deployment and encourage further efficiencies and productivity gains.").

[5] *See Federal-State Joint Board on Universal Service, Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking*, 16 FCC Rcd 11244, 11296 (2001) ("*Fourteenth Report and Order*").

[6] *See Alenco Communications, Inc. v. FCC*, 201 F.3d at 608, 620-21 (5th Cir. 2000).

[7] *See, e.g., ex parte* letter from Stuart Polikoff, OPASTCO, to Marlene H. Dortch, dated Oct. 3, 2003.

[8] *See RCC Holdings, Inc.*, DA 02-3181 at ¶ 32 (W.C.B. rel. Nov. 27, 2002) (app. for rev. pending) ("*RCC Alabama Order*").

II. The Midsize Companies Mischaracterize the Requirements Imposed by the Vermont Public Service Board, and Ignore Subsequent Modifications to Those Requirements.

Vermont's regulation of wireless carriers generally is extensive. In applying for federal ETC status, RCC Atlantic, Inc. d/b/a Unicel ("RCC") and the Vermont Department of Public Service entered into a stipulation that generally affirms RCC's obligation to comply with existing state regulations. In addition, RCC voluntarily made additional commitments in order to obviate the need for litigation. In the June 26, 2003, Order ("Initial Order")[9] cited by the Midsize Companies, despite the agreement of commission staff that RCC's petition should be granted, the presiding Hearing Officer recommended imposing additional conditions upon RCC, and presumably all subsequent Vermont petitioners.

RCC requested reconsideration because some of the proposed conditions were legally infirm. On November 14, 2003, several days before the Midsize Companies' letter, the Public Service Board ("PSB") modified the Initial Order to remove some of the more obviously unlawful conditions.[10] RCC has not yet determined whether to appeal. However, the *ad hoc* imposition of extra conditions has prejudiced all other potential petitioners in Vermont who have had no opportunity to participate in a proceeding that has essentially changed the rules for qualifying as an ETC.

The Midsize Companies assert that the Vermont PSB imposed thirteen conditions on RCC that should be imposed on all ETCs. In fact, of the thirteen conditions that the Midsize Companies allege were "imposed" by the Vermont PSB: (a) six were in fact not imposed (1, 2, 6.a, 6.b, 7, and 10); (b) five are required of all ETCs in Vermont, irrespective of technology (5, 6, 8, 9, and 11); and (c) two were agreed to by RCC in a stipulation, not imposed by the PSB (3 and 4).

The Midsize Companies' characterization of many of these conditions, in addition to their omission of the modifications wrought by the Final Order of November 14, warrant a full response to ensure that the Commission has an accurate record. We address the Midsize Companies' statements seriatim:

---

[9] Following the Hearing Officer's submission of a proposal for decision on May 15, 2003, RCC and other parties filed comments and requested oral argument. The PSB granted RCC's request to issue an Order in time for RCC to be eligible for support beginning in the third quarter of 2003 under the FCC's rules and USAC's practices. After the Initial Order of June 26, the PSB directed the Hearing Officer to treat RCC's comments as a Motion for Reconsideration, and to revise the proposed decision to the extent appropriate in light of the comments of the parties. Accordingly, although the Initial Order designates RCC as an ETC, the post-certification conditions mentioned in the Initial Order only embodied the Hearing Officer's recommendations and were subject to modification, which ultimately occurred in the Final Order dated November 14, 2003.

[10] In re: Designation of Eligible Telecommunications Carriers Under the Telecommunications Act of 1996 (In re: RCC Atlantic, Inc. d/b/a Unicel) (P.S.B. Nov. 14, 2003) ("Final Order"). A copy is enclosed for the Commission's reference.

1. Requirement to Use Funds to Expand Coverage in Vermont.

The Hearing Officer recommended that RCC be required to meet system construction benchmarks that went beyond the requirements of 47 C.F.R. § 54.7. The PSB reversed, ruling that "RCC only will be required to provide evidence that it uses universal service support for the provision, maintenance, and upgrading of facilities and services for which the support was intended, in the same manner as wireline ETCs."[11] Contrary to the Midsize Companies' statement, the PSB did not impose system expansion requirements on RCC.[12]

2. Requirement to Offer Service at a "Regulated Rate of $8.50 per Month."

The Midsize Companies erroneously claim that the PSB imposed a regulated rate. [13] In fact, the Initial Order merely adopted the stipulation, which contains a description of the Lifeline discounts that would become available to qualifying customers upon RCC's designation. Obviously, states cannot regulate the rates of CMRS carriers, irrespective of whether they are ETCs.[14] That Vermont's Lifeline-eligible consumers will be able to take service at $8.50 per month is not the result of rate regulation. Rather, RCC described for the PSB staff a rate plan which bears a retail rate of $25.00. After applying federal and state Lifeline benefits available to low income consumers, the service will cost $8.50.

Neither the recommendations in the Initial Order nor the PSB's Final Order even mentions the idea of this being a regulated rate. RCC may lower its price for that rate plan without PSB approval, to the benefit of Vermont's consumers. Statements that Vermont imposed rate regulation on RCC are simply wrong.

3. Steps to Reduce Call Blockage.

RCC voluntarily agreed in the stipulation to continually evaluate its system to reduce call blockage. The PSB did not impose this item as a condition of grant. Ironically, RCC does not have a call blocking problem in Vermont, and its ability to maintain satisfactory service levels will be largely dependent upon its ability to secure approvals to construct new cell sites needed to increase capacity as demand warrants.

---

[11] Final Order at p.48.

[12] As for requirements to file maps, given that the PSB eliminated geographic coverage requirements for wireless ETCs, it is unclear at this point what the significance of such maps will be two years down the road.

[13] Midsize Companies' letter at p. 3.

[14] *See* 47 U.S.C. § 332(c)(3). *See also Petition of the State Independent Alliance and the Independent Telecommunications Group for a Declaratory Ruling that the Basic Universal Service Offering Provided by Western Wireless in Kansas is Subject to Regulation as Local Exchange Service,* 17 FCC Rcd 14802, 14820 (2002), *app. for rev. pending* ("*Kansas BUS Order*").

4. Commitments Regarding Business Practices, Such as Disconnection Policies.

Again, RCC voluntarily agreed in the stipulation to ensure compliance with the state's requirements for all carriers, irrespective of whether they are ETCs. The PSB did not impose this item in its Order.

5. Notify Customers of the Amount of Funds Received.

This is required of all ETCs in Vermont, and RCC did not object to its imposition as it is good public policy for consumers to understand how much high-cost support all carriers receive.

6. Filing of Annual Reports Required of All ETCs.

RCC did not object to the requirement that it file an annual report commensurate with that filed by all ETCs in Vermont.

a. Demonstration that the CETC has substantially completed its build out and offers full coverage to essentially all of its service area.

We find no such requirement anywhere in the Initial Order or in the PSB's Final Order. The Hearing Officer recommended a requirement that RCC devote all or substantially all of its available high-cost support to constructing new facilities, while stopping short of imposing a geographic coverage requirement. On review, the PSB rejected the Hearing Officer's recommendation:

> While the Board believes that investment in capital construction is a useful indicator of an ETC's progress toward ubiquity of coverage, we do not believe that it is critical to demonstrating compliance with ETC certification. The Board agrees with RCC that it is also important that support be used to expand the volume of calls that the company can manage as customers access the network from their homes, cars or work places. An ETC's investments in service quality and service overall for existing customers are as necessary to serving the public interest as investments in the geographic expansion of coverage.[15]

b. Requirement that construction spending exceed some baseline level of investment.

This requirement was never imposed. The Hearing Officer recommended that the PSB impose a minimum spending requirement that, apparently, would only apply to competitive ETCs. The PSB declined to impose such a requirement, ruling that "RCC only will be required to provide evidence that it uses universal service support for the provision, maintenance, and

---

[15] Final Order at p. 48.

upgrading of facilities and services for which the support was intended, in the same manner as wireline ETCs."[16]

7. Obligation to Provide Local Number Portability by May 24, 2004, Even if the FCC Does Not Require It.[17]

This proposed requirement, which would unlawfully add a tenth service to the list of nine supported services, was never imposed. The PSB rejected the Hearing Officer's recommendation, stating:

> [W]e agree with RCC that change in federal wireless LNP requirements, which exempted other similarly situated wireless carriers, would place RCC at a competitive disadvantage against non-ETC carriers. Therefore, we will modify the LNP condition to be [sic] require RCC to implement LNP consistent with federal wireless LNP requirements.[18]

8. Notification if Information Provided to the PSB Is No Longer Accurate.

RCC never contested this requirement, which is applicable to all carriers and is similar to the FCC's requirement under 47 C.F.R. § 1.65 that a carrier keep information on file with the Commission up to date. RCC agrees that it is in the public interest for all carriers to keep regulatory authorities up to date on important information.

9. Certification Expires in Two Years.

Again, this is consistent with existing PSB rules applicable to all ETCs. When Vermont's ILECs were first designated as ETCs, the PSB ruled that those designations should expire after *one* year, with a requirement that the ILECs apply for recertification at the end of that period.[19] Later, the PSB ruled that the designations should expire after five years. Thus, the two-year expiration period merely reflects the PSB's existing policies.

10. The PSB at Some Future Time May Require RCC to Provide Certain Equipment to Customers at Reduced or No Cost.

Neither the Hearing Officer nor the PSB objected to RCC's current practices. The Hearing Officer's ruling, which was left undisturbed by the PSB, stated:

---

16 *Id.*

17 *See* Midsize Companies' letter at p. 4.

18 Final Order at p. 49.

19 *See* Designation of Eligible Telecommunications Carriers Under the Telecommunications Act of 1996, Docket No. 5918, Order, at 18 (P.S.B. Dec. 23, 1997).

> I do not recommend here that the Board object to RCC's current practice of charging customers for additional non-standard equipment needed to bring the RCC signal to the customer's home or place of business. These charges do add to the cost of service for rural customers. Nevertheless, as noted above, the Board allows wireline utilities to charge customers for line extensions, and this is a roughly equivalent policy in the wireless world. The present record does not demonstrate that these charges are a substantial barrier to advancing universal service, and I recommend that the Board not require a change in RCC's current practice at this time.[20]

While the PSB is certainly empowered to change the rules, the PSB did not impose such a requirement and there is nothing in the order which indicates that such a requirement is likely to be imposed.

11. The PSB Retains Jurisdiction to Modify or Revoke ETC Authority.

As we understand the law generally, a regulatory body with authority to grant any license or other authorization, including ETC status, retains the authority to modify or revoke such grant. Indeed, the FCC has made explicit mention of a state's authority to revoke certification if it finds that an ETC has not spent its high-cost support as directed by law.[21]

In sum, the Vermont PSB did not impose ILEC-style regulation on RCC. Far from it. Although some of the findings arguably exceed state authority, the PSB made a thoughtful decision that did not erect barriers to RCC's entry or regulate its rates.

III. Other Arguments by the Midsize Companies Are Anticompetitive Attempts to Forestall Competition and Raise the Costs of New Entrants.

Petitioners urge the Commission to reject each of the arguments contained in the Midsize Companies' letter.

A. States are Making Appropriate Public Interest Findings.

Without citing a single state decision, the Midsize Companies claim that state regulators are taking lightly their responsibilities to ensure that the public interest will be served by a grant of ETC status. Across the country, the very ILECs identified in the letter have made the same arguments in protracted proceedings, some stretching to five full days of hearings and written records of extraordinary length. States are taking their responsibilities very seriously and are consistently rejecting the arguments proffered by the Midsize Companies with good reason.

---

[20] Initial Order at p. 31.

[21] *See Fourteenth Report and Order, supra,* 16 FCC Rcd at 11319.

B. It is an Illegal Barrier to Entry to Require a Competitive ETC to Serve Throughout a Study Area.

The Midsize Companies' well-worn argument that a competitive ETC is required to serve throughout an ILEC's study area is anticompetitive, was rejected by the FCC years ago, and has been uniformly rejected across the country in ETC proceedings ever since. Section 214 of the Act specifically permits competitive ETC service areas to be different from that of ILECs, including rural ILECs. Neither the Midsize Companies nor any other party has ever demonstrated how a broad requirement to serve the entirety of a wireline ILEC's study area could be competitively neutral. Moreover, the substantial work done by the Joint Board's Rural Task Force, as reflected in the disaggregation rules adopted in the May 2001 *Fourteenth Report and Order,* has resolved any legitimate "cream skimming" concerns that rural ILECs had prior to that date.[22]

C. Service Quality Standards Are Not Properly Imposed in the Course of ETC Designation Proceedings.

Service quality standards are not properly intertwined with ETC designation proceedings. The Midsize Companies continue to misconstrue the law in this area, refusing to acknowledge that service quality regulations were imposed on ILECs because they are monopolies, not because they are ETCs. ILECs continue to press for deregulation, but nowhere in their advocacy do they offer to relinquish ETC status or the rural exemption. Their concern is not consumer welfare – it is raising the cost of doing business for companies that are not yet able to effectively compete with them for local exchange service in rural areas.

Service quality standards applicable to ILECs in Virginia are not properly imposed on competitive ETCs in the course of an ETC designation proceeding. Such standards can only be properly developed in rulemaking proceedings applicable to all carriers, not just ETCs. It is not competitively neutral for a competitive ETC to have additional obligations that its wireless competition does not.[23]

---

[22] *See* 47 C.F.R. § 54.315. *See also Federal-State Joint Board on Universal Service, Western Wireless Petition for Designation as an Eligible Telecommunications Carrier for the Pine Ridge Reservation in South Dakota, Memorandum Opinion and Order,* FCC 01-283 at ¶ 20 (rel. Oct. 5, 2001).

[23] *See Federal-State Joint Board on Universal Service, Report and Order,* 12 FCC Rcd 8776, 8857-58 (1997) ("*First Report and Order*") ("Several ILECs assert that the Joint Board's recommendation not to impose additional criteria is in conflict with its recommended principle of competitive neutrality because some carriers, such as those subject to COLR obligations or service quality regulation, perform more burdensome and costly functions than other carriers that are eligible for the same amount of compensation. The statute itself, however, imposes obligations on ILECs that are greater than those imposed on other carriers, yet section 254 does not limit eligible telecommunications carrier designation only to those carriers that assume the responsibilities of ILECs.") (footnotes omitted).

The Commission squarely rejected such standards for competitive ETCs six years ago – its decision was correct then and it is correct today.[24] The competitive marketplace imposes far more effective discipline on market participants than does regulation. If Petitioners can break the monopoly over local exchange service in their respective areas, neither would oppose substantial deregulation of ILECs.[25]

D. States Cannot Regulate CMRS Carrier Rates, Irrespective of ETC Designation.

Calls to force competitive ETCs to offer ILEC-style rate plans have been squarely rejected across the country, most eloquently by administrative law judge Kathleen Sheehy in Minnesota:

> The way that the Department and the ILECs wish to analyze the affordability of Midwest's rate plans is not competitively neutral. In their view, Midwest Wireless should receive a federal subsidy that will allow it to compete for local service only if it competes on the terms that are available to ILECs: unlimited local calling for flat rates, with affordability of all rate plans determined by reference to ILEC rates that are chock full of both explicit and implicit subsidies. This approach favors one type of provider (ILECs) and one type of technology (landlines). Wireless networks are not limited by traditional exchange areas, and wireless carriers do not and cannot compete on landline terms. They have to compete for local service by offering something different and more desirable to consumers, such as mobility, larger local calling areas, or more flexible rate plans[.][26]

More recently, the Regulatory Commission of Alaska rejected similar regulation, despite the vigorous advocacy of a Midsize Company member, the Matanuska Telephone Association.[27] It is apparent that the Midsize Companies do not like decisions they are getting from the states and are looking to the FCC for relief.

---

[24] *See id.*

[25] The Commission should proceed as it did in deregulating AT&T following the Bell system break up, easing regulation on AT&T as its monopoly grip on the interexchange marketplace was broken. *See Policy and Rules Concerning the Interstate, Interexchange Marketplace, Second Order on Reconsideration and Erratum,* 14 FCC Rcd 6004, 6005-06 (1999).

[26] Midwest Wireless Communications, LLC, OAH Docket No. 3-2500-14980-2, PUC Docket No. PT6153/AM-02-686, Findings of Fact, Conclusions of Law, and Recommendation at ¶ 44 (Minn. ALJ Dec. 31, 2002) ("Midwest Minnesota ALJ Decision"), aff'd in relevant part by Minn. PUC March 19, 2003 ("Midwest Minnesota ETC Order") (footnote omitted).

[27] *See,* Alaska ETC Order, *supra.*

E. A Public Interest Test is Inapplicable in Service Area Redefinition Proceedings.

When service area redefinition petitions are considered, there is no public interest analysis involved. Nothing in Section 214(e)(5) or the Commission's rules mentions a public interest test for redefining a rural ILEC service area.[28]

The Joint Board has never recommended a public interest test for redefinition. The claim by the Midsize Companies that a public interest test can be applied to service area redefinition petitions finds no support in the statute or rules.

In closing, Petitioners note that their own customers' universal service contributions subsidize their competition. Wireless consumers will pay over $1.75 billion into the fund this year and they deserve the benefits of competitive wireless service. Seven years after the 1996 Act, most rural markets are still not open. It will take years for effective competition in the local exchange market to develop once ETC status is granted.

In view of the above, Petitioners urge the Commission to promptly grant their respective petitions without imposing anticompetitive requirements that utterly fail the test of competitive neutrality. Virginia Cellular and Highland stand ready to construct new facilities in rural Virginia to deliver high-quality competitive services to rural consumers, who deserve the same kinds of choices available today in this nation's urban areas.

We trust that you will find this information to be useful. Should you have any questions or require any additional information, please contact undersigned counsel directly.

Respectfully submitted,

VIRGINIA CELLULAR, LLC
HIGHLAND CELLULAR, INC.

By:_____/s/_____
David LaFuria
Their Counsel

cc: Hon. Michael K. Powell
Hon. Kathleen Q. Abernathy
Hon. Michael J. Copps
Hon. Kevin J. Martin
Hon. Jonathan S. Adelstein
Christopher Libertelli, Esq.
Matthew Brill, Esq.

---

[28] *See,* 47 U.S.C. § 214(e)(5); 47 C.F.R. § 54.207(b).

Scott Bergmann, Esq.
Lisa Zaina, Esq.
Jessica Rosenworcel, Esq.
Daniel Gonzalez, Esq.
William Maher, Esq.
Carol Mattey, Esq.
Eric Einhorn, Esq.
Anita Cheng, Esq.
William Scher, Esq.
Diane Law Hsu, Esq.
Paul Garnett, Esq.
Katie King, Esq.

Enclosure